

8/18/02
9/27/02

To All Providers for AmCare Health Plans of Louisiana, Inc.

On September 23, 2002, the 19th Judicial District Court for the Parish of East Baton Rouge, State of Louisiana, has entered an order for the rehabilitation of AmCare Health Plans of Louisiana, Inc. ("AmCare") under the supervision of the Court, with the Commissioner of Insurance for the State of Louisiana as Rehabilitator. A hearing was scheduled for 10:00 a.m. on September 27, 2002 to show cause why the rehabilitation order and the relief granted therein should not continue in effect. At that hearing, the Court ruled that AmCare is placed in rehabilitation under the control of the Commissioner of Insurance for the State of Louisiana.

Also on September 23, 2002, an Emergency Motion to Cancel All Certificates of Coverage, Subscriber Agreements, Member Agreements and/or Policies of Insurance and Permitting the Transfer of the AmCare Business was filed. That motion was also set for hearing at 10:00 a.m. on September 27, 2002. At that hearing, the Court ruled that all AmCare certificates of coverage, subscriber agreements, member agreements and policies of insurance would be canceled on midnight on September 30, 2002.

It is important for you to know that all AmCare coverage will end at midnight on September 30, 2002.

COMMERCIAL GROUP POLICYHOLDERS

Under an agreement with United Healthcare, Inc., commercial groups of AmCare, in Receivership, will be offered replacement coverage on a guaranteed issue basis. Commercial groups can choose any of the group products being marketed in Louisiana for their replacement coverage. Groups are under no obligation to purchase replacement coverage from United Healthcare, Inc.

For any medical services that have been pre-authorized with dates of service after September 30, the authorization is no longer valid.

Please remember all network providers have contractual, statutory and legal obligations to deliver necessary medical services to members, enrollees, and subscribers of AmCare through September 30, 2002. The court has ordered all providers to continue to provide services in accordance with existing contracts with AmCare until midnight, September 30, 2002. Additionally, state law prohibits all providers from balance billing, requiring payment up front, refusing to treat, or, taking any recourse against these members with exception of collecting applicable co-payments, coinsurance, or deductibles. If you have any questions about your contractual obligations, please contact AmCare in Receivership
P.O. Box 91064
Baton Rouge, LA 70821
(225) 929-6300
www.lidi.state.la.us

Further information is available on line at www.lidi.state.la.us